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20 July 1989
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MEMORANDUM FOR: ACIS

ATTENTION:

STAT

FROM:

STAT

Legislative Division
Office of Congressional Affairs

SUBJECT: Satellite Security Act

Attached for your attention are relevant portions from the July 17, 1989 Congressional Record, wherein Senator Kerry introduced the Satellite Security Act. You will note that Senator Kerry, in his remarks, requested that CIA and DOD conduct a formal review of judgments concerning Soviet laser capabilities over the past decade.

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Attachment

OCA/LEG, (20 July 89)

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July 17, 1989

CONGRESSIONAL RECORD — SENATE

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By Mr. KERRY (for himself and Mr. JEFFORDS):

S. 1328. A bill to declare the policy of the United States regarding the protection of U.S. Government satellites against antisatellite attack and to limit the use of funds for testing any antisatellite weapon against an object in orbit around the Earth; to the Committee on Armed Services.

By Mr. PRYOR:

S. 1329. A bill to subject persons involved in the resolution of insolvent financial institutions to Federal conflict of interest and disclosure laws; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HELMS:

S. 1330. A bill to provide protections to farm animal facilities engaging in food production or agricultural research from illegal acts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BENTSEN:

S. 1331. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to provide grants to States to establish funds to provide assistance for the construction of water and waste facilities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MURKOWSKI:

S. 1332. A bill to provide for realignment and major mission changes of medical facilities of the Department of Veterans Affairs; to the Committee on Veterans Affairs.

By Mrs. KASSEBAUM (for herself and Mr. DOLE):

S. 1333. A bill to amend the International Air Transportation Competition Act of 1979; to the Committee on Commerce, Science, and Transportation.

By Mr. PACKWOOD:

S. 1334. A bill for the relief of Tube Forgings of America; to the Committee on Finance.

By Mr. BENTSEN:

S. 1335. A bill to temporarily suspend the duty on certain furniture and seats; to the Committee on Finance.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 1336. A bill to provide for the use and distribution of funds awarded the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission; to the Select Committee on Indian Affairs.

By Mr. GRAHAM:

S. 1337. A bill to establish a Mildred and Claude Pepper Scholarship Program; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HEINZ (for himself, Mr. DIXON, Mr. BYRD, Mr. D'AMATO, Mr. FORD, Mr. BOREN, and Mr. HELMS):

S. Res. 154. Resolution expressing the sense of the Senate on the agreement to be signed between the Government of the United States and the Government of the Republic of Korea to co-produce the "Korean Fighter Program" (KFP); to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself and Mr. JEFFORDS):

S. 1328. A bill to declare the policy of the United States regarding the protection of U.S. Government satel-

lites against antisatellite attack and to limit the use of funds for testing any antisatellite weapon against an object in orbit around the Earth; to the Committee on Armed Services.

SATELLITE SECURITY ACT

Mr. KERRY. Mr. President, on May 12, 1989, President Bush called for an expansion of the open skies plan of President Eisenhower, asking all nations, beginning with the United States and Soviet Union, to open up their skies to surveillance flights and satellites of other nations. President Bush said we must "open up military activities to regular scrutiny and, as President Eisenhower put it, 'convince the world that we are lessening danger and relaxing tension.'"

The single most important means we have of monitoring the Soviet Union are our satellites. And the biggest impediment to implementing the President's open skies policy are weapons that would destroy satellites, antisatellites, or Asat's.

I am convinced that the United States is now in a unique position to both stop the further development of the Asat threat to our satellites—and even to pressure the Soviet Union into dismantling its existing Asat's through negotiating an Asat treaty.

Accordingly, on behalf of Senator JEFFORDS and myself, I am filing legislation, entitled the Satellite Security Act of 1989, which is designed to cause the Soviets to enter into negotiations with the United States on constraining antisatellite weapons, to open up their laser test facilities at Sary Shagan and any other suspect sites to the United States, and to continue their 6-year moratorium on the testing of Asat's against objects in orbit as the price for the U.S. forbearing its own testing of Asat's against objects in orbit.

The legislation sets tough standards for Soviet behavior as a precondition to the United States moratorium.

In essence, it says that the United States will not test any weapon against an object in orbit only if the President determines that the Soviet Union has not tested any of its weapons against objects in orbit, and that the Soviet Union has agreed to open up its laser facilities to the United States to allow us to monitor them, and that the Soviet Union has agreed to negotiate in good faith with the United States on constraining antisatellite weapons.

As the Office of Technology Assessment has found, the United States is more dependent on satellites to perform important military functions than is the Soviet Union. Current Soviet Asat capabilities are very limited. Our satellites face a far more serious threat from future Soviet Asat's if development is not halted now. Stopping further testing of Asat's by both sides is an effective means of protecting our satellites—and of furthering the President's own open skies proposal.

Recently, the Soviets have taken steps which suggest they may be prepared to go a long way to meet our concerns about verifying an antisatellite control agreement. On July 8, the Soviets actually opened up their most secret laser test facility to United States scientists and Congressmen, who were permitted to inspect the laser transmitter, receiver, transformer and beam director at the Sary Shagan laser site. At the site, Soviet Academy of Sciences vice president Yevgeny Velikhov stated that the Supreme Soviet's new commission on the military budget may even order the laser to be abandoned when it issues a report in the fall.

The importance of the new Soviet attitude cannot be underestimated. The Reagan administration in rejecting Asat arms control said the chief reason we couldn't negotiate such a treaty was because we could never verify it. Now, the Soviets are saying to us—we are ready to join you at the bargaining table on antisatellite weapons, and we are already willing to open up our most significant military test sites to demonstrate our openness to verification.

There are also significant intelligence implications of the Soviet action. The Soviets now contend—and these contentions appear to be supported by the initial technical indices of Soviet equipment at the Sary Shagan laser test site—that their lasers are only capable of producing 2 to 20 kilowatts of power. If this is true, Soviet laser capabilities are less than 1 percent of those previously claimed by the Department of Defense, the Strategic Defense Office, and the CIA in public statements about Soviet laser capabilities.

I am therefore today asking that the Intelligence and Armed Services Committees seek a formal review by the Central Intelligence Agency and Defense Department of judgments concerning Soviet laser capabilities over the past decade.

For example, in the March, 1985 CIA report, "Soviet Directed Energy Weapons: Perspectives in Strategic Defense," the Agency stated:

[The Soviets] already have a ground-based laser that could be used to interfere with U.S. satellites. . . . The directed-energy R&D site at the Sary Shagan proving ground in the central U.S.S.R. could provide some anti-satellite capabilities and possibly ABM prototype testing in the future.

A 1987 version of the annual publication, "Soviet Military Power," prepared by the Department of Defense, asserted that the Soviet lasers at Sary Shagan are "capable of damaging sensitive components" of satellites in orbit.

General John Piotrowski, head of the U.S. Space Command, has repeatedly testified that the Soviets possess laser capabilities that could kill a satellite in low Earth orbit, wound a satellite as high as 750 miles, and do in-

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band damage to those in geosynchronous orbit at 22,300 miles. Last year's edition of Soviet Military Power reiterated that the Soviets possessed "at least one laser believed capable of an anti-satellite mission."

The former Director of the Strategic Defense Office, Lt. Gen. James Abrahamson, testified before the Congress in March 1987 that the Soviets are "clearly ahead" of the United States in ground-based lasers.

These assessments have been a significant factor in congressional consideration of U.S. antisatellite programs, and in connection with the strategic defense initiative. However, information made available by the Soviets in connection with their unprecedented opening of the Sary Shagan site in a group of private United States scientists, journalists, and Congressmen on July 8, 1989, suggests that these assessments may not have been correct.

Specifically, during the site inspection, the Soviets stated that the most powerful laser at the Sary Shagan facility, the carbon dioxide laser, is capable of between 2 and 20 kilowatts of output, power ratings a tiny fraction of that needed to sustain even minimal antisatellite capabilities.

The technical data provided by the Soviets to the scientists in connection with the visit, as well as photographs of the laser equipment, power sources, beam director, cooling systems, mirrors, computers and related technologies, provide significant support for these statements by the Soviets.

This new information raises the question of whether past assessments of the Soviet laser program have significantly overestimated or exaggerated the military capability of the lasers themselves and of the program overall. If the information provided in the course of the site visit proves to be correct, it suggests a possible intelligence failure of substantial proportions.

The implications of such an intelligence failure could be profound, because the findings would undermine the very foundation of the rationale for the billions we have spent on the strategic defense initiative and the current crash program that is being pushed for directed energy anti-satellite weapons.

The implications for verification are also profound. For a number of years, I have advocated that the United States seek to negotiate a comprehensive verification accord with the Soviets to establish overall procedures for verifying all relevant military technologies.

It is increasingly clear that the Soviet Union is now willing to accept the principle of onsite inspection as part of verification, to supplement national technical means. They accepted this principal in the INF Treaty, and they are demonstrating the probability of their accepting it in the realm of Asat's by opening up Sary Shagan in this dramatic way.

I hope we will use the apparent new willingness of the Soviets to permit us to verify their military research and development programs in the area of lasers to secure limits on Soviet military developments in the area of anti-satellite weaponry. As the Office of Technology Assessment has found, the United States is more dependent on satellites to perform important military functions than is the Soviet Union. Current Soviet Asat capabilities are very limited. Our satellites face a far more serious threat from future Soviet Asat's if development is not halted now. Stopping further testing of Asat's by both sides is an effective means of protecting our satellites—and of furthering the President's own open skies proposal.

The Congress stopped all testing of the now-defunct U.S. Asat system for 2 years because of concerns about the potential injury to U.S. national security if both sides move forward with the testing, development and deployment of Asat's.

The President's own national security advisor, Brent Scowcroft, recently coauthored an Aspen Study Group report which concluded that "we find it hard to identify a set of circumstances in which the benefits of using the limited existing Asat systems markedly outweigh the potential risks." Scowcroft wrote that "all scenarios involving the use of Asat's, especially those surrounding crises, increase the risks of accident, misperception, and inadvertent escalation."

Given these concerns, I believe further restraint regarding Asat's can be useful to the United States to force the Soviet Union to open up its secret laser facilities at the outset and ultimately to dismantle any existing Asat capability is has, as a result of negotiations with the United States resulting in an Asat Treaty.

I also believe it is essential for the United States to insure that its satellites remain survivable in any case. Accordingly, the legislation would require the administration to conduct a study of the effect of current and potential Asat's on the survivability of United States satellites, and the costs to the United States for making our satellites survivable should the Soviets develop new Asat's. I believe such a study could help both the administration and the Congress understand better the costs to the United States should the Soviets move forward with their Asat program.

In recent years, many Senators have joined me in opposing United States antisatellite testing, so long as the Soviets to do not test. Now the Soviets have volunteered to open up their secret laser test sites for inspection, and are considering dismantling the sites altogether. I hope that this year's legislation, which is designed to bring about the ultimate dismantling of all Asat's, will receive even more support.

I ask unanimous consent that the full text of the legislation be entered

into the RECORD, as well as the Washington Post article, "Soviet Laser Said To Pose No Threat," which describes this historic opening up of the Soviet laser, and a summary of the findings of the United States scientists who visited the Soviet test site.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Satellite Security Act of 1989".

SEC. 2. FINDINGS

Congress makes the following findings:

(1) The United States Government relies on many of its satellites for communications, reconnaissance, electronic intelligence, remote sensing, detection of nuclear explosions, early warning of attack, monitoring compliance with arms control agreements, and monitoring the activities and movements of hostile military forces.

(2) Such satellites constitute vital integral parts of many United States weapon systems, command, control, and communications systems, and intelligence systems.

(3) It is essential to the national security of the United States that United States Government satellites survive antisatellite attacks.

(4) The Soviet Union has not tested its only antisatellite weapon, a coorbital system, against an object in space since the summer of 1982.

(5) The further development and testing of new antisatellite weapons by the United States and the Soviet Union may make all United States Government satellites and all Soviet satellites vulnerable to each other's antisatellite weapons.

(6) It is in the national security interest of the United States to discourage the development and testing of new antisatellite weapons by the Soviet Union.

SEC. 3. DECLARATION OF POLICY

(a) PROTECTION OF SATELLITES.—It is the policy of the United States to protect United States Government satellites.

(1) by discouraging Soviet efforts to improve antisatellite capabilities; and

(2) by conducting research, development, and testing on techniques that increase the capability of such satellites to survive physical attack, including such techniques as hardening, resistance, jamming, orbit selection, maneuvering, ground segment improvements, orbiting of spare satellites, deployment of dormant satellites, and signature reduction.

(b) ANTISATELLITE LIMITATION, NEGOTIATIONS.—It is the sense of Congress that the President should initiate and conduct good faith negotiations with the Soviet Union with a view to achieving an agreement that provides for (1) the strictest possible limitations on the development, testing, production, and deployment of antisatellite weapons by the United States and the Soviet Union, (2) the dismantling of existing Soviet antisatellite weapons, and (3) verification of the compliance with the agreement.

SEC. 4. LIMITATION ON TESTING OF ANTISATELLITE WEAPONS

Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by any Act may be obligated or expended to test any weapon against an object in orbit around the Earth

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until the President certifies to Congress either—

(1) that the Soviet Union has conducted, after August 1982, a test of any weapon against an object in orbit around the Earth;

(2) that the President has requested the Soviet Union to permit the United States to deploy cooperative monitoring and verification technologies at the Soviet laser test site at Sary Shagan and at each other location that the President suspects the Soviet Union to be using for laser testing, and that the Soviet Union has refused to cooperate in good faith to make it possible for the United States to do so; or

(3) that the President has attempted to negotiate with the Soviet Union to establish limitations on the development, testing, production, and deployment of antisatellite weapons, and that the Soviet Union has refused to negotiate in good faith on such limitations.

SEC. 5. REPORT TO CONGRESS ON THE SURVIVABILITY OF UNITED STATES SATELLITES

(a) **IN GENERAL.**—Not later than March 1, 1990, the President shall prepare and transmit to Congress a report on—

(1) the capabilities of United States Government satellites to survive antisatellite attacks; and

(2) the capabilities of the United States (A) to monitor the development, testing, production, deployment, and use of antisatellite weapons by the Soviet Union, and (B) to verify Soviet self-restraint in the development, testing, production, deployment, and use of such weapons.

(b) **CONTENT OF REPORT.**—The report shall include reviews and analyses of—

(1) the capabilities of United States Government satellites to survive attack by antisatellite weapons, and the future actions necessary to ensure the capability of United States Government satellites to survive such attacks through the end of the twentieth century;

(2) an assessment of the effects on United States national security of—

(A) Soviet antisatellite capabilities;

(B) the development, by the Soviet Union, of antisatellite capabilities symmetrical to potential future United States antisatellite capabilities;

(C) the development, by the Soviet Union, of the capability to destroy high-altitude United States Government satellites, including those satellites in geosynchronous orbit; and

(D) an agreement entered into by the United States and the Soviet Union that provides for (i) a verifiable ban on the development, testing, production, and deployment of all antisatellite weapons, and (ii) the dismantling of all existing antisatellite weapons;

(3) the actions that could be taken to improve the capability of United States Government satellites to survive antisatellite attacks and the projected budgetary costs of taking such actions—

(A) if the Soviet Union were not to improve its antisatellite capabilities;

(B) if the Soviet Union were to develop antisatellite capabilities symmetrical to potential future United States antisatellite capabilities;

(C) if the Soviet Union were to develop the capability to destroy high-altitude United States Government satellites, including those satellites in geosynchronous orbit; and

(D) if the United States and the Soviet Union were to enter into an agreement providing for (i) a verifiable ban on the development, testing, production, and deployment of all antisatellite weapons, and (ii)

the dismantling of all existing antisatellite weapons;

(4) United States capabilities to monitor and verify Soviet antisatellite capabilities;

(5) techniques by which the United States could improve capabilities to monitor and verify Soviet antisatellite capabilities, including—

(A) development, testing, production, and deployment of monitoring equipment, onsite verification equipment, and other verification equipment;

(B) onsite inspections; and

(C) negotiation of an agreement between the United States and the Soviet Union providing for the use of telemetry by each that is readable by the other and other cooperative means with the Soviet Union; and

(6) the desirability of and prospects for limiting Soviet antisatellite capabilities by agreement, including any agreement that would limit development, testing, production, or deployment of kinetic kill, directed energy, nuclear, or any other form of antisatellite weapon or that would limit any other antisatellite capability for any altitude.

(c) **FORM OF REPORT.**—The President shall transmit the report in a classified form to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate, the Select Committee on Intelligence of the Senate, the Committees on Appropriations, Armed Services, and Foreign Affairs of the House of Representatives, and the Permanent Select Committee on Intelligence of the House of Representatives. The President shall also transmit to Congress an unclassified summary of the report.

SOVIET LASER SAID TO POSE NO THREAT—AMERICAN SCIENTISTS INSPECT INSTALLATION HIGHLIGHTED BY PENTAGON

(By R. Jeffery Smith)

SARYSHAGAN, U.S.S.R., July 8—A Soviet laser said by the Pentagon to be capable of damaging U.S. satellites is probably too weak to do so, a group of U.S. congressmen and independent American scientists said after examining it today.

The laser is housed here in a large, white building on the desolate steppes of Soviet Kazakhstan, an area that also serves as the Soviet Union's official test range for research on ballistic missile defense.

The building's bulk has been a source of extra suspicion about the laser, but today it just added to the drama of the Americans' five-hour visit.

During the Reagan administration, several sketches of the laser building, drawn from U.S. satellite photos, were featured prominently in the Defense Department's annual publication, "Soviet Military Power," as an illustration of the Soviet Union's pursuit of missile defense research much like that being conducted under the controversial U.S. Strategic Defense Initiative.

A 1985 Pentagon pamphlet said, "The facilities there are estimated to include . . . a laser that may be capable of damaging some components of satellites in orbit and a laser that could be used in testing for . . . [missile defense] applications."

By 1987, the Pentagon language was changed to predict potential laser damage only to "sensitive components" of satellites, but in 1988, the department again said the Soviets had a ground-based laser "with some capability to attack U.S. satellites."

Princeton University physicist Frank von Hippel said today, after inspecting the laser's transmitter, receiver, transformer and beam director, that "it looks like a tool that's been left out to dry for 25 years. It's got 19 counter-top-sized ruby lasers, a Weld-

ing-sized laser, 1960s vintage computers and a couple of one-meter mirrors in an air-conditioned building.

"A two-year college in the United States could produce the same in one of its laboratories," von Hippel added.

Rep. Jim Olin (D-Va.), a former vice president for General Electric with training as an engineer, said he had concluded that "it's not the killer weapon people said it was."

However, Olin added that he agreed with an assessment by Rep. John M. Spratt Jr. (D-S.C.), a member of the Armed Services Committee, that the laser "could be ancillary to an antisatellite weapons system."

The Defense Ministry officials who hosted today's visit were noticeably discomfited by the group's presence at the laser site and by some of the detailed questions that were raised, objecting in one instance even to providing the exact dates of the laser's design and construction.

Another senior researcher described the work here as only "a statistical problem," and his colleagues declined to amplify their claims that the dual laser system would be used only for highly accurate tracking of airplanes and satellites, not for their destruction.

No information was provided about either the unrelated, but obvious, missile defense research being conducted nearby or the supposed deployment of tactical lasers in the area. Photos were also prohibited during the dusty, 45-minute ride to the laser site from a military airfield.

But once there, Soviet Academy of Sciences vice president Yevgeny Velikhov led the group into key areas of the plant and invited visitors to take many photos, including some that will doubtless be studied closely by the U.S. intelligence community.

Velikhov said the laser was similar to a device the U.S. Air Force has tested from Hawaii during several space shuttle flights. The Soviet laser was used on three or four occasions last year in similar tests involving a special satellite equipped to reflect its beam and make its position obvious.

Velikhov said that he does not support the continuing operation of the laser, and that the Supreme Soviet's new commission on the military budget may order the laser abandoned this fall.

FACTSHEET ON SARY SHAGAN LASER FACILITY

Based on the notes of Tom Cochran, Senior Staff Physicist, NRDC; Christopher Paine, Staff Aide to Senator Kennedy; and Frank von Hippel, Physicist, Princeton University, taken during a site visit organized by the NRDC and the Soviet Academy of Sciences, 8 July 1989.

Location: Near the eastern shore of Lake Balkhash in Kazakhstan (45° 55' N, 73° 30' E).

Purpose: Conduct research on laser radar.

History: Main building completed late 1979's. CO₂ laser building completed in mid 1982. Facility is currently undergoing modifications. Last attempt to track a space target was in August, 1988.

Description: Two low-power laser systems are optically combined into a single beam. One laser system consists of 0.7 micron pulsed ruby laser beam for target locations and the second consists of a 10.6 micron CO₂ laser used for target tracking. The 0.7 micron ruby laser beam is formed by optically combining the output of 19 five-watt lasers.

SYSTEM CHARACTERISTICS

Ruby Laser: 19 lasers with five-watt average power; 10 pulses per second; 30 nanosecond pulse length; and no phase matching between lasers.

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Optics: Beams combined into one beam, then transmitted through a hole in the middle of the back of the main mirror of a 1.5 meter reflecting telescope to a 15 centimeter diameter secondary which reflects and spreads the beam track onto the front of the 1.5 meter gold-plated primary mirror. The wide beam is then reflected to the beam director mounted on the outside of the end of the building. The beam director has an aperture of about 1 meter.

The telescope is also used to collect the light reflected from the target, which returns along the optical path to a television camera and photo multiplier tube collector. There are no adaptive optics or cooling of optical elements.

CO₂ Laser: One 20 kilowatt output continuous laser 1-2 kilowatts transmitted through the optics to the beam director; 15 percent optical efficiency (light energy/electrical energy); 5 percent efficiency (light energy/total energy consumption); therefore approximately 400 kilowatts total energy consumption. Laser beam diameter: 1.5 cm-3 cm; 250 kv high voltage generator for electron beam gun. Water cooling.

Optics: The beam is transmitted through an underground tunnel to the basement of the main (ruby laser) building, where it is then reflected onto a vertical path up to a 30-cm diameter 45-degree-angle mirror located between the 1.5 meter telescope and the beam director. This mirror sends the light to the beam director.

Adaptive optics: None.

Mirror cooling: None.

Computer control equipment: 1960's computer technology with hard-wired transistor circuitry; punch card data storage.

Power Supply: 5 megawatts for entire complex, including lasers, computers, lighting and air conditioning.

Other information: The facility has been used a few times per week to track aircraft equipped with a retroreflectors and beam sensing equipment at ranges up to 60-70 km. Attempts also made to track a multi-purpose Cosmos satellite using a mirror reflector mounted on the satellite. Satellite with reflector carries no beam-sensing devices. Continuous tracking not achieved.

High saline content of CO₂ laser cooling water from Lake Balkhash requires pipe replacement in three years rather than the expected twenty.

Total project cost to date: "A few tens of millions of rubles."

LARGE UNDERGROUND ROOM

Nearby, there is a very large underground room (perhaps 200 feet long, 100 feet wide and 40 feet high). The room was unfinished and empty. The group was told that it had originally been built around 1970 for a high-powered laser. It was underground and equipped with blast doors because one idea had been to power the laser with electromagnetic pulses generated by chemical explosions. There was a heavy blast wall on the ground above and next to the room which was evidently designed to protect the roof of the room from the blast waves. However, the project had been abandoned at an early stage.

By Mr. PRYOR:

S. 1329. A bill to subject persons involved in the resolution of insolvent financial institutions to Federal conflict of interest and disclosure laws; to the Committee on Banking, Housing, and Urban Affairs.

ETHICS IN THRIFT RESOLUTIONS ACT

● Mr. PRYOR. Mr. President, just a few weeks ago I was on the Senate floor to release a report on an investi-

gation of the Federal Savings and Loan Insurance Corporation's First South receivership, undertaken at my request by the General Accounting Office. The investigation of the receivership at this failed Arkansas thrift uncovered several incidents of egregious misconduct by receivership employees. The investigation found that furniture and fixtures of the failed thrift were sold at fire sale prices at an auction open to receivership employees only. In a separate incident, the GAO investigated a contract with the receivership's former property manager to appeal tax assessments on receivership properties. The GAO found that the former property manager signed the contract only 2 days after resigning his receivership position, and he subsequently collected payment from the receivership for work that he had performed while a receivership employee. The Federal Home Loan Bank Board's Office of the Inspector General was informed about these incidents, but in both cases it found no wrong doings, primarily on the basis that receivership employees are not Federal employees subject to Federal conflict of interest statutes.

On the day I released the report of these findings, I promised to introduce legislation to eliminate the type of problems seen at the First South receivership, and today I am here to make good on that promise. Today I am introducing the Ethics in Thrift Resolutions Act which will make not just receivership employees, but all employees involved in the resolution of insolvent financial institutions subject to Federal conflict of interest and disclosure laws. I understand that the Senate Banking Committee has expressed interest in including provisions of this type in the conference report on the savings and loan reform bill, so today I am sending similar legislative language to the chairman of the committee, Senator RIEGLE.

The savings and loan industry is rife with scandals, but I fear that we may not have seen the worst of the scandals yet. I believe the activities of the Resolution Trust Corporation, which is being established by the S&L reform bill to resolve the hundreds of billions of dollars in failed thrifts, are a fertile breeding ground for more scandals. The Senate version of the S&L reform bill currently directs the Oversight Board of the RTC to draft conflict of interest and ethics rules that will apply to RTC employees and independent contractors of the RTC. I want these standards to be unequivocal, however, so I am introducing this bill which will codify the standards in law. In the event the conferees on the S&L reform bill choose not to include these provisions in their bill, I hope the bill I am introducing will move through Congress quickly. Taxpayers are currently facing a bill of over \$150 billion to clean up after the misdeeds of S&L operators; they will simply

refuse to pay for cleaning up after unethical regulators.●

By Mr. HELMS:

S. 1330. A bill to provide protection to farm animal facilities engaging in food production or agricultural research from illegal acts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM ANIMAL FACILITIES PROTECTION ACT OF 1989

Mr. HELMS. Mr. President, today I am introducing the Farm Animal Facilities Protection Act which is designed to prevent, deter, and penalize crimes against U.S. farmers, ranchers, food processors, and agricultural researchers.

The ability of the United States to feed its citizens adequately is responsible for America's being the greatest Nation in the world. And because of research breakthroughs in the agricultural community, improvements in food processing, and the continued hard work of U.S. farmers, the future of American agriculture is looking brighter.

However, I believe we are seeing a serious threat to U.S. agriculture, and we must now act to ensure that our food productivity is not disrupted.

There is a small group of citizens who are opposed to the agricultural use of animals, and several of these groups are turning to increasingly militant actions to express their views. In addition to the normal hardships experienced by the agricultural community, they are now forced to contend with vandalism, arson, liberation of animals, and even bomb threats. There is a long list of such animal rights terrorism including a recent firebomb attack on a Monterey, CA, meat company.

On Thursday, April 27, a worker at the plant reported a fire. Upon investigation, the Monterey fire marshal reported that several incendiary devices had been placed under the building. Also, trucks parked at the plant's loading dock were painted with slogans such as "meat kills." Fortunately, no one was harmed in the incident, but a worker could have easily been trapped in the plant if the fire had spread. This attack—committed while workers were in the plant—illustrates the fanaticism of some animal rights activists who blatantly disregard the danger to human life to make their point.

An animal rights group did claim responsibility for the crime as part of their ongoing campaign to make animal abuse unprofitable. Similar acts are becoming more frequent and more severe in all areas of the United States, and there is reason to believe that such activists are part of an international animal rights terrorist group.

Mr. President, such illegal acts against agriculture harm not only the farmers, ranchers, processors, and researchers, but all the rest of us as well.